

Why don't customer reviews factor into BBB ratings?

BBB Business Profiles offer more information than most customer review sites, and BBB recommends that consumers read beyond the letter grade or the stars.

Ratings are BBB's opinion of what a customer is likely to experience based on actions that a company can control, such as resolution of complaints, truthful advertising, etc. BBB uses a computer algorithm to determine the letter grade; the algorithm evaluates objective information as well as subjective determinations based on BBB's extensive marketplace experience. We are transparent about what goes into the rating: all 5.4 million BBB Business Profiles point to a detailed explanation of the [ratings formula](#).

BBB customer reviews reflect BBB's additional role as a public bulletin board, allowing businesses and their customers to engage in discussions about their interactions. Customer reviews represent consumers' opinions and are reported on BBB.org as a star rating (1-5), similar to other ratings systems and recognizable by search engines. Consumers cannot submit anonymous reviews, and they must affirm that they are actual customers of the business and that they did not receive or were not offered compensation.

Is an A- an appropriate BBB rating for Office Depot (which has a star rating of 1 out of 5 stars based on 43 reviews), which in 2019 agreed to pay \$25 million to settle FTC charges it engaged in a tech support scam that extorted millions of dollars from consumers?

BBB reports on known government actions and, per the [ratings formula](#), companies lose points for government actions based on several factors, such as at what stage the issue is resolved, and whether the company agreed to change its practices.

Does the BBB flag suspicious customer reviews? For example, 113 of 142 five-star reviews for New U Life came during a one-week period in March. Does the BBB verify reviews?

BBB does attempt to confirm the accuracy of the information provided. Unlike most review sites, reviewers on BBB.org are required to provide their real name. They must affirm that they are actual customers, that their review is a true reflection of their experience, and that they did not get or were not offered any compensation for the review.

Some studies indicate that 10-30% of online customer reviews are fraudulent ([University of Chicago](#)), but BBB's reviews appear to be more accurate overall, likely due to the requirements noted above. BBB has a proprietary 40-point algorithm that assesses customer reviews as they are submitted, predicts the likelihood of a review being fake, and rejects those above a set threshold. The algorithm blocks about 4-5% of incoming customer reviews.

Why aren't separate FTC inquiries into Canada Goose and Iron Company (see attached FTC closing letters) noted on their BBB pages?

According to these letters, the FTC did not take action on these two companies. Inquiries that do not lead to government actions are not reported on BBB Business Profiles.

Why is the BBB allowing SmileDirectClub to prevent consumer complaints from appearing on its BBB page by telling visitors to complain to the company "before complaints are filed with the BBB"?

We understand that SmileDirectClub is an industry disruptor, but BBB does not take sides and the company is not receiving any special treatment. BBB's dispute resolution standards and procedures are the same for all companies. We always encourage consumers to try to work out their dispute with the company first. As an Accredited Business, SmileDirectClub is required to promptly resolve all BBB complaints, which it does.

Under our policies, a BBB handling complaints for a large company may choose to publish only a portion of the consumer narratives, although all complaints and their resolution are published and are included in the ratings calculation. This information is always disclosed on the BBB Business Profile.

Why is it the BBB's policy to wait until a government action is "finalized" before determining whether it should lower a company's rating? For example, Quincy Bioscience, marketers of Prevacid, is an accredited business with an A+ rating while it stands accused of deceptive advertising by the FTC and state of New York.

Although BBB reports on pending government actions in the Business Profiles, we do not assess points until the action is settled or decided, providing an objective indication of the merits of the allegations.